

STATE OF CALIFORNIA

KATHLEEN CONNELL,
CONTROLLER OF CALIFORNIA

OFFICE OF STATE CONTROLLER
PERSONNEL/PAYROLL SERVICES DIVISION
300-Capitol Mall
P.O. Box 942850
Sacramento, CA 94250-5878

Date: November 15, 1999

PERSONNEL LETTER # 99-043
CIVIL SERVICE ONLY

To: All Agencies in the Uniform State Payroll System

From: Ralph Zentner, Chief
Personnel/Payroll Operations Bureau

Re: TOP STEP ROUNDING

Pursuant to the memorandum of understandings (MOUs), the Department of Personnel Administration (DPA) has established new maximum salary rates for certain classes/ranges in Bargaining Units 01 and 20. The new maximum salary rates are the result of the top step rounding provision within the MOUs and are effective 11/02/99 (beginning of the November 1999 pay period).

Also, DPA has established new maximum salary rates for the supervisory ranges in the U01 designated classes and the E97 designated classes/ranges that are aligned with Bargaining Unit 01 or 20. The new maximum rates are effective 11/02/99 as well.

Employees who are at the old maximum salary rate in one of the affected classes/ranges as of 11/02/99 are entitled to the new maximum salary rate. Also, employees with a hiring above minimum (HAM) authorization salary rate totaling the maximum salary rate of one of the affected classes/ranges are entitled to an adjustment to the new maximum salary rate. Refer to DPA Pay Letter #99-54 for further information and the identification of the affected classes/ranges.

The State Controller's Office will process an Employment History (EH) mass update to implement the top step rounding. The update will occur the night of November 15, 1999.

I. EH UPDATE PROCESS - GENERAL INFORMATION

Top step rounding shall be documented via the EH SAL transaction with an 11/02/99 effective date. For employees currently at the old maximum salary rate, the SAL transaction will reflect the new maximum salary rate within the employee's base salary rate. For employees with a HAM rate totaling the old maximum salary rate, the SAL transaction will reflect a new plus salary rate.

II. EH MASS UPDATE PROCESS

The EH mass update process will post the 11/02/99 effective date SAL transaction on the affected employees' EH records. Turnaround (TAD) PARs will be issued from the mass update process.

III. EH MANUAL UPDATE PROCESS

The Personnel/Payroll Services Division (PPSD) and departments will need to manually update the EH records of employees who cannot be included in the above mass update.

A. PPSD

PPSD will manually process employees who are rejected from the mass update including employees whose EH records reflect an out-of-sequence situation (i.e., EH records reflecting transactions with an effective date after 11/02/99). TAD PARs will be issued as the employees' EH records are updated.

B. Departments

Departments will need to manually update the EH records of employees in the following situations.

Employees in the Limited Examination and Appointment Program Candidate classification (class code 4687)

If the employee is performing the duties of one of the classes/ranges receiving top step rounding, process an 11/02/99 effective date SAL transaction. Enter the new maximum salary rate on the SAL transaction.

Employees under the 10/12 pay plan

If the employee is on work status as of 11/02/99, process an 11/02/99 effective date SAL transaction. Enter the new maximum salary rate on the SAL transaction.

If the employee is not on work status as of 11/02/99, process a SAL transaction effective the date the employee returns to work status. Enter the new maximum salary rate on the SAL transaction.

IV. SPECIAL EH PROCESSING INFORMATION/INSTRUCTIONS

Per DPA, an MSA shall be applied before a salary range change. Thus, the 11/99 MSA must be posted on an employee's EH record before the 11/02/99 effective date SAL transaction. Further, the 11/99 MSA must be based on the salary rate in effect as of 11/01/99 (i.e., the old maximum salary rate for the employee's class/range).

If the 11/99 MSA has not been posted to an employee's EH record by November 15, 1999, departments must process the MSA as follows:

If the MSA salary rate is equal to or more than the old maximum salary rate for the employee's class/range, then key enter an 11/02/99 effective date SAL transaction after the 11/02/99 effective date MSA transaction is key entered. Process the SAL transaction per below.

Effective Date (Item 210)	- Enter '11/02/99'.
EH Remarks (Item 215)	- Enter 'DPA PRLTR 99-54'.

Based On Salary Rate	- Enter the new maximum salary rate for the employee's class/range.
Plus Salary Rate (Item 325)	- Enter '0EOF' if applicable.
Plus Salary Expiration Date (Item 325)	- Enter '*EOF' if applicable.
Anniversary Date (Item 330)	- Enter 'MAX'.

If the MSA rate is equal to the new maximum salary rate of the employee's class/range, only the 11/02/99 effective date MSA transaction needs to be key entered. The new maximum salary rate and an anniversary date of 'MAX' will be automatically generated on the MSA transaction by the EH On-line System.

V. PAYROLL ADJUSTMENTS - SEMI-MONTHLY PAID EMPLOYEES ONLY

Adjustments to regular pay, except as identified below, and regular overtime (i.e., non-FLSA overtime) for the first half of the 11/99 pay period that have already been issued, will be automatically made once the employees' EH records are updated. For employees updated via the EH mass update, the adjustments should be issued in the payroll cycle issue dated November 17, 1999.

Departments will need to submit Form STD. 674/674D to request adjustments for the following payments that have been issued for the first half of the 11/99 pay period.

Regular pay with dock applied for employees with a mid-month change

Regular pay for employees on alternate work schedules or paid from a shift designated agency code and time paid does not equal time possible for the pay period

Industrial Disability (IDL)

Temporary Disability (TD)

NDI Annual Leave Supplementation

FLSA/Planned Overtime

Holiday pay issued under the user computed salary rate earnings ID beginning with HG

Out-of-class

VI. CONTACTS

Questions regarding the top step rounding and the EH processing information can be directed as follows:

<u>SUBJECT AREA</u>	<u>CONTACT</u>	<u>TELEPHONE NO.</u>
Salary Program	DPA	(916) 324-0439 CALNET 454-0439
EH Procedures	Personnel Operations Liaison Unit	(916) 322-6500 CALNET 492-6500
Disability Procedures	Disability Liaison Unit	(916) 322-3619 CALNET 492-3619
General Payroll	Payroll Liaison Unit	(916) 323-3081

Procedures

CALNET 473-3081

RZ: LMS/PMAB